

MINUTES

VIRGINIA SMALL BUSINESS ADVISORY BOARD

February 12, 2007 – 10:00 A.M.

**707 East Main Street, 3rd Floor, Board Room
Richmond, Virginia**

- I. Members present: Dr. A. Carole Pratt (Chairwoman), Mr. Robert B. Nealon, Mr. Carlos Brown, Mr. Willard (Billy) Thompson, Ms. Gena Thompson Burr, Dr. Francine DeFerreire Kemp,

Guests present: Mr. David Smith, Mr. Wayne Waldrop, Ms. Elizabeth Moran, Mr. Scott Dailey, Ms. Lynda Sharp Anderson, Ms. Nina Sims, and Ms. Barbara Anderson

Members not present: Mr. Bernard Robinson, Mr. Prescott Sherrod, Mr. Gary Taylor, Mr. Douglas Adams, Mr. Frank Smith, Ms. Louisa Strayhorn (Ex-Officio), Mr. Ronald Bew (Ex-Officio), Mr. Andrew Brownstein (Ex-Officio)

- II. Welcome and Market Updates by Board Members - Chairwoman Pratt called the meeting to order. Board members presented market updates. Topics summarized included:

- Community Development Financial Institutions (CDFI) – legislation needed to regulate CDFIs in order to become SBA lenders.
- NOVA – Metro extension – Issue - overhead vs. tunnel.
- Women’s Business Center – Community Business Partnership – George Mason University.
- NOVA transportation issues – traffic congestion a hindrance. Small business is thriving.
- Volvo-Mack Heavy Truck layoff affected 1,000 people. Created ill will among small businesses that have hired displaced workers when some were called back to work at Volvo.
- GTT Enterprises, Inc. profile in VDOT newsletter.

Chairwoman Pratt tabled the approval of the November 13, 2006 Minutes, election of a Vice Chair and Secretary until the next meeting since a quorum is needed.

- III. Secretary of Commerce and Trade Update – Mr. David Smith, Deputy Secretary

Mr. Smith stated that 2006 was a successful year specifically job announcements. It is a busy time – in the middle of the General Assembly session. Mr. Smith cited budget items that are currently impacting Commerce and Trade:

- Workforce development problem/issue. Workforce Services will run out of money in FY08 if not funded.
- SRI incentive – major hi-tech research initiative in Harrisonburg. House cut money in half to \$6.5 million, which places project in jeopardy.
- House cut Governor’s Opportunity Fund. Senate to maintain.
- Small business incentives cut for Wallops Island.
- Generous to Tourism – faired very well with funding for Jamestown.

- HB3164 update – One-stop small business permitting program. Going to impact VDBA - Program will be housed at VDBA. Bill has gone to Senate. Ms. Elizabeth Moran clarified by stating that VDBA will use VBIC resources to initiate this program. It is the next logical step for VBIC. Businesses can put basic information in about whom they are and what they do. The process is technology driven.

Mr. Smith continued with discussion of the Governor's Economic Development Strategic Plan. He stated the execution of the Plan has been divided between the Secretary, the two Deputies and two assistants and is a living document. The SBAB will be instrumental in moving this document to the next level and providing input for the 2008 Governor's Budget. Mr. Smith congratulated VDBA on their SWaM procurement event held late last year – hand holding SWaM vendors and matching them with specific agencies inside the Commerce and Trade Secretariat. Workforce will continue to be a major focus. Assistant Secretary Vivek Kundra is working with the workforce advisor on this issue. It is a constant struggle to keep good employees. Need to put greater emphasis on technical education.

Mr. Smith concluded his presentation by taking questions from the Board. Chairwoman Pratt asked when the Board meets with legislators at the conclusion of the Board meeting what should they address. Mr. Smith responded – workforce piece and minimum wage.

IV. Manufacturing Update - Wayne Waldrop – Director, Business Information Services

Mr. Waldrop discussed the *Manufacturing Impact and Economic Diversification Plan (FY 2007-2011)*. He stated manufacturing jobs are decreasing, and it is important to save the ones we have. Diversify the economic base. According to the report, there are still significant numbers of manufacturing jobs. Mr. Waldrop highlighted areas of the report – diversification of employment base, future – VEDP, existing business expansions – VEDP, VDBA Workforce Services program, VDBA – entrepreneur development, and specific recommendations. He stated workforce is the most important.

Mr. Waldrop referred to the Manufacturing Summit last fall, at which Governor Kaine and Secretary Gottschalk were present, as well as Chairwoman Pratt and Mr. Carlos Brown from the SBAB. The summary priorities of the Summit focused on Skilled Trades Workforce Development. Summary feedback:

- Partnerships in education process – as early as elementary school.
- Marketing – campaign/publicity to students/parents – opportunity for growth and compensation in this message.

Mr. Waldrop concluded his presentation by stating the manufacturing piece was one of the more organized. Ms. Lynda Sharp Anderson added there are new manufacturing positions with a lack of qualified workforce. Ms. Elizabeth Moran stated there are State resources available because they are high paying and do have financial return.

V. Marketing Update – Ms. Nina Sims, Director of Marketing and Special Events

Ms. Sims stated that the Marketing area is transitioning – new logo – letterhead/brochures, etc. A list is circulating for new business cards for SBAB. The Business Appreciation Week Kick-off Breakfast will take place on May 14th. All Board members will receive an invite. It will take place at the Richmond Convention Center from 8:00-10:00 a.m., with a Board meeting following. Ms. Sims will try to get a room at the Convention Center for the SBAB meeting following breakfast. VDBA asks for your participation at events in your business community as representative of the Board.

Ms. Sharp Anderson encouraged the Board to review the department's new website and welcomes feedback.

VI. Citizen Participation in Legislative Process – Ms. Elizabeth Moran – Director, Legislative and Community Affairs

Ms. Moran stated that it is better to see legislators when not in session, but since the General Assembly is in town today, those interested in the legislative process are invited to attend a meet and greet session at the General Assembly this afternoon. Ms. Moran passed around legislative lists for both the House and Senate and stated most legislators may be contacted through the Internet, by phone or by letter. The biggest issue for VDBA is the funding for our Workforce Services Jobs Investment Program. Ms. Moran passed around a summary sheet of the program which will provide the Board a background. Ms. Moran stressed that the Board is to educate the legislators, not lobby the legislators. She passed around today's calendar and committee meetings and suggested the Board catch legislators after the session but before the committee meetings or in their offices.

Ms. Moran stated that the Conference Committee has not been appointed yet. She will e-mail the Board when the Committee is due to meet.

VII. Announcements

Chairwoman Pratt announced the resignation of Ms. Janeen Welsh, Congressional District 6. Ms. Welsh told us that her resignation is because her business is so busy, not because of disinterest. Chairwoman Pratt reminded the Board of the next meeting on Monday, May 14, following the Business Appreciation Kick-Off Breakfast.

Ms. Sharp Anderson announced that Mr. Frank Smith was named Entrepreneur of the Year by the Metro Business League. His business had growth of 25% over last year. Congratulations to Frank, who could not be present today.

Ms. Sharp Anderson stated that Ms. Strayhorn could not be with us today as she was working in Northern Virginia with SWaM companies to build their capacity to further prepare them to be able to do business with the Commonwealth of Virginia.

Ms. Moran reviewed a few bills that VDBA will track throughout the year, specifically healthcare and transportation.

Mr. Scott Dailey, SBA, attending for Mr. Bew, distributed their new Resource Guide, which is the SBA's major marketing piece.

VIII. Adjourn

Chairwoman Pratt adjourned the meeting at 12:15 p.m. for lunch. At 1:00 p.m. the Board members able to attend, will walk to the General Assembly building.

Respectfully submitted,

Barbara Anderson
SBAB Secretary